



Co-operatives Act 1996

Holding Postal Ballot on Requisition

Holding of postal ballot on requisition (s.202)

The board of a co-operative must conduct a postal ballot (including a special postal ballot) for the purpose of the passing of a special resolution on the written requisition of such number of members who together are able to cast at least 20% (or any lesser percentage specified in the rules of the co-operative) of the total number of votes able to be cast at a meeting of the co-operative.

A member is not entitled to be a requisitioning member unless the member is an active member.

The following provisions apply to a requisition for a postal vote-

- (a) it must specify-
 - (i) the proposed special resolution to be voted on;
 - (ii) the reasons for making the special resolution; and
 - (iii) the effect of the special resolution being passed.
- (b) it must be signed by the requisitioning members (and may consist of several documents in the like form each signed by one or more of the requisitioning members);
- (c) it must be served on the co-operative by being lodged at the registered office of the co-operative.

The postal ballot must be conducted as soon as practicable and in any case must be conducted within two months after the requisition is served.

If the special resolution for which the requisitioned postal ballot is conducted is not passed, the co-operative may recover the expenses of the postal ballot from the members who requisitioned the postal ballot as a debt due to the co-operative.

(Continued on page 2)

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The Federation strongly recommends that each co-operative obtains its own professional advice to ensure that the specific circumstance of the co-operative are taken into account.

INFORMATION



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Expenses involved in postal ballots on requisition (s.203)

All reasonable expenses incurred by a co-operative in and in connection with preparing for and holding a special postal ballot are to be considered to constitute the "expenses of the postal ballot" for the purposes of section 202.

Those expenses include (but are not limited to) the following expenses-

- (a) the cost of obtaining expert advice (including legal and financial advice) and of commissioning expert reports;
- (b) costs attributable to the use of staff for the co-operative in connection with preparing for and holding the ballot;
- (c) the cost of producing, printing and posting the ballot papers and other material associated with the ballot. □